

AMENDMENTS TO THE CLAIMS

Status of the Claims

Claims 1-8 are cancelled;

Claims 9-20 are new.

1. (Canceled)

2. (Canceled)

3. (Canceled)

4. (Canceled)

5. (Canceled)

6. (Canceled)

7. (Canceled)

8. (Canceled)

9. (New) A financial transaction payment system, comprising:

a first financial institution computer system maintained by a first financial institution, wherein said first financial institution computer system stores information relating to a consumer depository account holding funds on behalf of a consumer;

a credit payment card for conducting two or more transactions and incurring charges associated with each such transaction, said credit payment card being issued to said consumer by a second financial institution, said card further being linked by a payment network to said depository account for covering said charges, wherein a payment cycle is associated with said credit payment card and a credit payment card balance reflects a spending limit associated with said credit payment card;

wherein an amount of funds equal to at least a portion of said charges accumulated using said credit payment card is deducted automatically from said depository account on a periodic cycle determined by said consumer and said amount is applied to said credit payment card charges.

10. (New) The financial transaction payment system of claim 9, wherein said spending limit is reduced based on said charges, and refreshed automatically as a function of said automatic deducting.

11. (New) The financial transaction payment system of claim 10, wherein said consumer is periodically informed of said charges made on said credit payment card and of said amount.

12. (New) The financial transaction payment system of claim 9, wherein said consumer receives rewards in exchange for use of said credit payment card.

13. (New) A computer-based method for conducting financial transactions comprising:

establishing a credit payment card account by a first financial institution computer system, wherein a payment cycle is associated with said credit payment card account and a credit payment card account balance reflects a spending limit associated with said credit payment card account, for conducting two or more transactions and incurring charges associated with each said transaction, said credit payment card account further being linked by a payment network to a depository account maintained at a second financial institution for covering said charges;

applying payments to said credit payment card account balance by said first financial institution computer system, wherein said payments are automatically deducted from said depository account maintained at said second financial institution on a periodic cycle in an

amount equal to at least a portion of said charges accumulated on said credit payment card account, and further wherein the holder of said credit payment card account determines one or more details of how said payments are applied to said credit payment card account balance, including at least one of the amount of said payments and the date of said payments.

14. (New) The method of claim 13, wherein said spending limit is reduced based on said charges, and refreshed automatically as a function of said payments.

15. (New) The method of claim 14, further comprising using said first financial institution computer system to periodically inform said consumer of said charges made on said credit payment card and of the amount received from said consumer depository account to cover said charges.

16. (New) The method of claim 13, further comprising storing by said first financial institution computer system information relating to rewards provided to said consumer in exchange for said consumer's use of said credit payment card.

17. (New) A financial transaction payment system, comprising:
an issuing financial institution computer system maintained by an issuing financial institution, wherein said issuing financial institution computer system stores information relating to a credit payment card account issued by said issuing financial institution;
a credit payment card, associated with said credit payment card account, for conducting two or more transactions and incurring charges associated with each such transaction, said credit payment card being linked by a payment network to a depository account maintained at a second financial institution for covering said charges, wherein a payment cycle is associated with said credit payment card and a credit payment card balance reflects a spending limit associated with said credit payment card;

wherein an amount of funds equal to at least a portion of said charges accumulated using said credit payment card is deducted automatically from said depository account, and applied to said credit payment card account, on a periodic cycle determined by said consumer.

18. (New) The financial transaction payment system of claim 17 wherein said payment network is the Automated Clearing House network.

19. (New) A computer-based method for conducting financial transactions comprising:

receiving information by a payment processor computer system relating to payment for a credit payment card account transaction, including at least the amount of said transaction;

determining by said payment processor computer system whether said amount of said transaction is below a spending limit associated with said credit payment card account; and

transmitting from said payment processor computer system information validating said transaction and thereby adding the value of the transaction to the outstanding balance on the credit payment card account;

wherein said credit payment card account is associated with a first financial institution and linked to a depository account maintained at a second financial institution, and wherein at least a portion of the charges incurred by said transaction are covered by said depository account maintained at said second financial institution such that at least a portion of the outstanding balance on the credit payment card account is automatically deducted from said depository account maintained at said second financial institution, and further wherein the holder of said credit payment card account determines one or more details of how said automatic

deduction is applied to said outstanding balance on the credit payment card account, including at least one of: the amount of said automatic deduction and the date of said automatic deduction.

20. (New) A financial transaction processing system, comprising:

one or more memories for storing information relating to a credit payment card account held by a first financial institution, said information including at least the name of the holder of said credit payment card account, a spending limit associated with said credit payment card account, a balance of charges associated with said credit payment card account, and account holder preferences for automatic payment of said credit payment card account using funds from a depository account held at a second financial institution, and wherein said account holder preferences include at least one of: a payment date, a payment cycle, a spending limit, and account information related to said depository account; and

one or more processors, communicatively coupled to said one or more memories, for receiving information relating to transactions associated with said credit payment card account and for determining, based at least on information stored in said one or more memories, whether to approve said transactions and charge the value of said transactions to said credit payment card account;

a communications network communicatively coupled to said one or more processors for facilitating the automatic payment of at least a portion of said balance of charges associated with said credit payment card account automatically by debiting said depository account held at a second financial institution in accordance with at least one of said account holder preferences.